

Below is the Order of the Court.



Paul B. Snyder

Paul B. Snyder
U.S. Bankruptcy Judge

(Dated as of Entered on Docket date above)

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

In re

Case No. 14-41858-PBS

GATEWAYS FOR YOUTH AND
FAMILIES

Debtor.

**ORDER APPROVING DISCLOSURE
STATEMENT AND ESTABLISHING
PROCEDURES FOR VOTING ON PLAN
OF REORGANIZATION AND
GRANTING RELATED RELIEF**

THIS MATTER came before the Court on the Amended Disclosure Statement [Dkt. 2, as amended by Dkt. 30] (the "*Disclosure Statement*") accompanying Debtor's Plan of Reorganization dated April 2, 2014 [Dkt. 3] (the "*Plan*"), filed by Gateways for Youth and Family, debtor and debtor-in-possession ("*Debtor*" or "*Gateways*"). Having reviewed the pleadings and other documents submitted, the statements of counsel and the files and records in this matter; and being fully advised in the premises, the Court FINDS AND CONCLUDES AS FOLLOWS:

A. The Court has jurisdiction to consider the Motion under 28 U.S.C. §§ 157 and 1334 and consideration of the Motion and the relief requested therein constitute a core

**ORDER APPROVING DISCLOSURE
STATEMENT AND GRANTING
RELATED RELIEF - 1**

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1 proceeding within the meaning of 28 U.S.C. § 157(b). Venue is proper before this Court
2
3 pursuant to 28 U.S.C. §§ 1408 and 1409.
4

5 B. On April 2, 2014 (the "*Petition Date*"), Gateways filed its voluntary petition
6
7 for relief under Chapter 11 of the Bankruptcy Code. Pursuant to sections 1107 and 1108 of
8
9 the Bankruptcy Code, Gateways continues to manage its property as debtor and debtor in
10
11 possession. No trustee, examiner or statutory committee has been appointed.
12

13 C. No creditor or other party in interest objected to approval of the Disclosure
14
15 Statement. At a hearing on May 19, 2014, the court approved the Disclosure Statement.
16

17 D. The Disclosure Statement contains adequate information within the meaning
18
19 of Section 1125 of the Bankruptcy Code.
20

21 E. Notice of the hearing on the Motion and the deadline for filing objections to
22
23 the Disclosure Statement was provided to the Office of the U.S. Trustee, all parties who
24
25 have filed a request for notice in this case, and all parties receiving ECF notices. Such
26
27 notice was appropriate under the circumstances and no further notice need be given.
28

29 NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:
30

31 1. The Motion is GRANTED in all respects.
32

33 2. The Disclosure Statement is APPROVED in all respects.
34

35 3. Capitalized terms used but not defined herein shall have the meaning ascribed
36
37 to them in the Disclosure Statement.
38

39 4. The record date for determining which holders of Claims are or are not
40
41 entitled to vote to accept or reject the Plan and receive distributions pursuant to the Plan is
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43 **May 19, 2014.**
44

45 5. The Confirmation Hearing to consider confirmation of the Plan will be held
46
47 before the Honorable Paul B. Snyder of the United States Bankruptcy Court for the Western

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RELATED RELIEF - 2**

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1 District of Washington, U.S. Bankruptcy Court at Union Station, 1717 Pacific Avenue, Suite
2 2100, Tacoma, Washington 98402, Courtroom H, on **July 10, 2014 at 10:30 a.m.**, provided,
3
4 however, that the Confirmation Hearing may be adjourned or continued from time to time
5
6 by the Court.
7

8
9 6. Any objections to confirmation of the Plan must (i) be in writing, (ii) state the
10 name and address of the objecting party and the nature of the claim or interest of such party,
11
12 (iii) state with particularity the basis and nature of any objection, and include any evidence
13 in support of such objection the objecting party intends to present to the Court, and (iv) be
14
15 filed, together with proof of service, with the Court, and be served so as to be actually filed
16
17 and received no later than **June 30, 2014 at 5:00 p.m.** (prevailing Pacific Time), and (v) be
18
19 served on (i) Perkins Coie LLP, counsel for the Debtor, 1201 Third Avenue, Suite 4800,
20
21 Seattle, WA 98101 (Attn: Brian A. Jennings); and (ii) the Office of the U.S. Trustee, 700
22
23 Stewart Street, Suite 5103, Seattle, WA 98101. Objections to confirmation of the Plan that
24
25 are not timely filed, served, and actually received in the manner set forth above shall not be
26
27 considered and shall be deemed overruled.
28
29

30
31 7. The Debtor shall file a ballot report no later than **July 3, 2014**.
32

33 8. The term "***Solicitation Package***" means the following items, unless otherwise
34 provided: (a) this Order; (b) notice of the hearing on confirmation of the Plan; (c) the
35 Disclosure Statement as approved by the Court; (d) the Plan (which may be included as an
36
37 exhibit to the Disclosure Statement); (e) a ballot substantially in the form to be provided by
38
39 the Debtor consistent with the Federal Rules of Bankruptcy Procedure (a "***Ballot***"); (f) a pre-
40
41 addressed return envelope; and (g) such other materials as the Court may direct.
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45 9. The Debtor shall complete the mailing of the Solicitation Packages on or
46
47 before **May 27, 2014** (the "***Solicitation Date***") as follows:

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- 1 a. The Debtor shall distribute a copy the entire Solicitation Package to
2 Classes 2, 3 and 4;
3
4 b. The Debtor shall distribute a notice of non-voting status and items (a)
5 through (d) of the Solicitation Package to members of Classes 1 and 5.
6
7 c. The Debtor shall distribute items (a) through (d) of the Solicitation
8 Package to the U.S. Trustee, the Internal Revenue Service, and any other
9 governmental entity entitled to notice.
10

11 10. The Debtor is authorized to make non-substantive changes to the Disclosure
12 Statement, the Plan, and related documents without further order of the Court, including,
13 without limitation, changes to correct typographical and grammatical errors and to make
14 conforming changes among the Disclosure Statement, the Plan, and any other materials in
15 the Solicitation Packages prior to mailing.
16
17

18 11. All ballots must be properly executed, completed and delivered to Debtor's
19 counsel (a) by first class mail in the return envelope provided, or otherwise, (b) by overnight
20 courier, (c) by hand delivery, (d) by facsimile, or (e) as an email attachment in a standard
21 recognized format (e.g., PDF), *so that it is actually received by Gateways' counsel no later*
22 *than 5:00 p.m. (prevailing Pacific Time) on June 30, 2014 (the "Voting Deadline").*
23
24

25 12. The amount and classification of a claim for purposes of voting on the Plan
26 shall be determined as follows:
27
28

- 29 (a) If a proof of claim has not been timely filed (i.e. was not filed by the
30 applicable bar date), the amount of a claim shall be equal to the
31 amount, if any, listed in respect of such claim in Debtor's bankruptcy
32 schedules (as may be amended from time to time, the "Schedules"), to
33 the extent such claim is not listed as a contingent, unliquidated,
34 undetermined or disputed (subject to any applicable limitations set
35 forth below). Such claim shall be placed in the appropriate class of
36 the Plan based on the Debtor's records and classification scheme set
37 forth in the Plan.
38
39 (b) If a proof of claim has been timely filed for a liquidated, non-
40 contingent claim, and has not been objected to by the Claim Objection
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**ORDER APPROVING DISCLOSURE
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1 Deadline (defined below) the amount and classification shall be that
2 specified in such proof of claim for voting purposes only and shall not
3 be binding for any other purpose, subject to any applicable limitations
4 set forth below.

5
6 (c) If a claim has been estimated or otherwise allowed for voting
7 purposes by order of the Court, the amount and classification shall be
8 that set by the Court.

9
10 (d) Creditors shall not be entitled to vote claims to the extent such claims
11 duplicate or have been superseded by other claims timely filed by or
12 on behalf of such creditors. Debtor shall determine, in its discretion,
13 whether a claim is duplicative or has been superseded for voting
14 purposes only.

15
16 (e) If a creditor's proof of claim does not indicate the appropriate
17 classification of a claim and the classification cannot be determined
18 from the Schedules, the holder of such claim may only vote as an
19 Unsecured Claim in Class 4, unless otherwise permitted by a Court
20 order before the Voting Deadline.

21
22 (f) Any creditor with multiple claims in the same Class shall have one
23 Claim for voting and distribution purposes and all such amounts will
24 be aggregated into one Claim and such creditor shall be entitled to
25 submit only one ballot.

26 after notice and order of the Court

27 13. The following Ballots [^]will not be counted or considered for any purpose in
28 determining whether the Plan has been accepted or rejected:
29

30 (a) Any Ballot received after the Voting Deadline;

31 (b) Any Ballot that is illegible or contains insufficient information to
32 permit the identification of the claim;

33 (c) Any Ballot cast by a person or entity that does not hold an allowed
34 claim or interest in a class that is entitled to vote to accept or reject the
35 Plan;

36 (d) Any Ballot that is properly completed, executed and timely returned
37 but indicates both an acceptance and a rejection of the Plan;

38 (e) Any form of Ballot other than the Ballot approved by the Court or a
39 copy thereof;

40 (f) Any Ballot without a manual signature; and
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**ORDER APPROVING DISCLOSURE
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1 (g) Any Ballot that "splits" a vote in the same class to both accept the
2 Plan and reject the Plan.
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4 14. In addition to the foregoing, with respect to any Class that is entitled to vote
5 but for which (a) no ballots either accepting or rejecting the Plan are received and (b) no
6 objections to confirmation of the Plan are received from any creditor in such Class, such
7 Class be deemed to accept the Plan.
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9

10 15. The Debtor is authorized to take or refrain from taking any action necessary
11 or appropriate to implement the terms of and the relief granted in this Order without seeking
12 further order of the Court.
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15 16. All notices to be provided pursuant to the procedures set forth herein are
16 good and sufficient notice to all parties in interest of all matters pertinent hereto and of all
17 matters pertinent to the Confirmation Hearing and no other or further notice need be
18 provided.
19
20

21 /// End of Order ///

22 Presented by:
23 **PERKINS COIE LLP**
24
25

26 By: /s/ Alan D. Smith
27
28

29 Alan D. Smith, WSBA No. 24964
30 Brian A. Jennings, WSBA No. 32509
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32 Attorneys for Debtor
33 Gateways for Youth and Families
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**ORDER APPROVING DISCLOSURE
STATEMENT AND GRANTING
RELATED RELIEF - 6**

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